
HOUSE BILL 1044

State of Washington

69th Legislature

2025 Regular Session

By Representative Wylie

Prefiled 12/11/24. Read first time 01/13/25. Referred to Committee on Local Government.

1 AN ACT Relating to county fees for administration of the real
2 estate excise tax; amending RCW 82.45.180; adding a new section to
3 chapter 36.33 RCW; adding a new section to chapter 36.40 RCW;
4 creating a new section; and providing an effective date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that the legislature
7 and the state rely on county assessors to timely and accurately value
8 taxable property and rely upon county treasurers to collect and
9 distribute property tax revenues. Both offices have a role in the
10 administration of property transactions. Therefore, the legislature
11 intends to create administrative assistance funds for county
12 assessors and treasurers and to increase REET fees from \$5.00 to
13 \$20.00 per transaction.

14 **Sec. 2.** RCW 82.45.180 and 2013 c 251 s 11 are each amended to
15 read as follows:

16 (1)(a) For taxes collected by the county under this chapter, the
17 county treasurer shall collect a five dollar fee on all transactions
18 required by this chapter where the transaction does not require the
19 payment of tax. A total of five dollars shall be collected in the
20 form of a tax and fee, where the calculated tax payment is less than

1 five dollars. (~~Through June 30, 2006, the county treasurer shall~~
2 ~~place one percent of the taxes collected by the county under this~~
3 ~~chapter and the treasurer's fee in the county current expense fund to~~
4 ~~defray costs of collection. After June 30, 2006, the~~) The county
5 treasurer shall place one and three-tenths percent of the taxes
6 collected by the county under this chapter and the treasurer's fee in
7 the county current expense fund to defray costs of collection. (~~For~~
8 ~~taxes collected by the county under this chapter before July 1, 2006,~~
9 ~~the county treasurer shall pay over to the state treasurer and~~
10 ~~account to the department of revenue for the proceeds at the same~~
11 ~~time the county treasurer remits funds to the state under RCW~~
12 ~~84.56.280.~~) For taxes collected by the county under this chapter
13 (~~after June 30, 2006~~), on a monthly basis the county treasurer
14 shall pay over to the state treasurer the month's transmittal. The
15 month's transmittal must be received by the state treasurer by 12:00
16 p.m. on the last working day of each month. The county treasurer
17 shall account to the department for the month's transmittal by the
18 (~~twentieth~~) 20th day of the month following the month in which the
19 month's transmittal was paid over to the state treasurer. The state
20 treasurer shall deposit the proceeds in the general fund.

21 (b) For purposes of this subsection, the definitions in this
22 subsection apply.

23 (i) "Close of business" means the time when the county treasurer
24 makes his or her daily deposit of proceeds.

25 (ii) "Month's transmittal" means all proceeds deposited by the
26 county through the close of business of the day that is two working
27 days before the last working day of the month. This definition of
28 "month's transmittal" shall not be construed as requiring any change
29 in a county's practices regarding the timing of its daily deposits of
30 proceeds.

31 (iii) "Proceeds" means moneys collected and receipted by the
32 county from the taxes imposed by this chapter, less the county's
33 share of the proceeds used to defray the county's costs of collection
34 allowable in (a) of this subsection.

35 (iv) "Working day" means a calendar day, except Saturdays,
36 Sundays, and all legal holidays as provided in RCW 1.16.050.

37 (2) For taxes collected by the department of revenue under this
38 chapter, the department shall remit the tax to the state treasurer
39 who shall deposit the proceeds of any state tax in the general fund.
40 The state treasurer shall deposit the proceeds of any local taxes

1 imposed under chapter 82.46 RCW in the local real estate excise tax
2 account hereby created in the state treasury. Moneys in the local
3 real estate excise tax account may be spent only for distribution to
4 counties, cities, and towns imposing a tax under chapter 82.46 RCW.
5 Except as provided in RCW 43.08.190, all earnings of investments of
6 balances in the local real estate excise tax account shall be
7 credited to the local real estate excise tax account and distributed
8 to the counties, cities, and towns monthly. Monthly the state
9 treasurer shall make distribution from the local real estate excise
10 tax account to the counties, cities, and towns the amount of tax
11 collected on behalf of each taxing authority. The state treasurer
12 shall make the distribution under this subsection without
13 appropriation.

14 (3) (a) (~~Through June 30, 2010~~) Until the effective date of this
15 section, the county treasurer shall collect an additional five dollar
16 fee on all transactions required by this chapter, regardless of
17 whether the transaction requires the payment of tax. (~~The county~~
18 ~~treasurer shall remit this fee to the state treasurer at the same~~
19 ~~time the county treasurer remits funds to the state under subsection~~
20 ~~(1) of this section. The state treasurer shall place money from this~~
21 ~~fee in the general fund. By the twentieth day of the subsequent~~
22 ~~month, the state treasurer shall distribute to each county treasurer~~
23 ~~according to the following formula: Three-quarters of the funds~~
24 ~~available shall be equally distributed among the thirty-nine~~
25 ~~counties; and the balance shall be ratably distributed among the~~
26 ~~counties in direct proportion to their population as it relates to~~
27 ~~the total state's population based on most recent statistics by the~~
28 ~~office of financial management.~~

29 (b) ~~When received by the county treasurer, the funds shall be~~
30 ~~placed in a special real estate excise tax electronic technology fund~~
31 ~~held by the county treasurer to be used exclusively for the~~
32 ~~development, implementation, and maintenance of an electronic~~
33 ~~processing and reporting system for real estate excise tax~~
34 ~~affidavits. Funds may be expended to make the system compatible with~~
35 ~~the automated real estate excise tax system developed by the~~
36 ~~department and compatible with the processes used in the offices of~~
37 ~~the county assessor and county auditor. Any funds held in the account~~
38 ~~that are not expended by the earlier of: July 1, 2015, or at such~~
39 ~~time that the county treasurer is utilizing an electronic processing~~
40 ~~and reporting system for real estate excise tax affidavits compatible~~

1 with the department and compatible with the processes used in the
2 offices of the county assessor and county auditor, revert to the
3 special real estate and property tax administration assistance
4 account in accordance with subsection (5) (c) of this section.

5 ~~(4) Beginning July 1, 2010, through December 31, 2013, the county~~
6 ~~treasurer shall continue to collect the additional five dollar fee in~~
7 ~~subsection (3) of this section on all transactions required by this~~
8 ~~chapter, regardless of whether the transaction requires the payment~~
9 ~~of tax. During this period, the county treasurer shall remit this fee~~
10 ~~to the state treasurer at the same time the county treasurer remits~~
11 ~~funds to the state under subsection (1) of this section. The state~~
12 ~~treasurer shall place money from this fee in the annual property~~
13 ~~reevaluation grant account created in RCW 84.41.170.~~

14 ~~(5)(a))~~ (b) The real estate and property tax administration
15 assistance account is created in the custody of the state treasurer.
16 An appropriation is not required for expenditures and the account is
17 not subject to allotment procedures under chapter 43.88 RCW.

18 ~~((b) Beginning January 1, 2014, the county treasurer must~~
19 ~~continue to collect the additional five dollar fee in subsection (3)~~
20 ~~of this section on all transactions required by this chapter,~~
21 ~~regardless of whether the transaction requires the payment of tax.))~~

22 (c) The county treasurer shall deposit one-half of ~~((this))~~ the
23 fee in (a) of this subsection in the special real estate and property
24 tax administration assistance account in accordance with ~~((e))~~ (d)
25 of this subsection and remit the balance to the state treasurer at
26 the same time the county treasurer remits funds to the state under
27 subsection (1) of this section. The state treasurer must place money
28 from this fee in the real estate and property tax administration
29 assistance account. By the twentieth day of the subsequent month, the
30 state treasurer must distribute the funds to each county treasurer
31 according to the following formula: One-half of the funds available
32 must be equally distributed among the thirty-nine counties; and the
33 balance must be ratably distributed among the counties in direct
34 proportion to their population as it relates to the total state's
35 population based on most recent statistics by the office of financial
36 management.

37 ~~((e))~~ (d) When received by the county treasurer, the funds must
38 be placed in a special real estate and property tax administration
39 assistance account held by the county treasurer to be used for:

1 (i) Maintenance and operation of an annual revaluation system for
2 property tax valuation; and

3 (ii) Maintenance and operation of an electronic processing and
4 reporting system for real estate excise tax affidavits.

5 (4) (a) Beginning the effective date of this section, the county
6 treasurer shall collect an additional \$20 fee on all transactions
7 required by this chapter, regardless of whether the transaction
8 requires the payment of tax.

9 (b) (i) The department shall adjust the fee in (a) of this
10 subsection to reflect growth of the consumer price index for shelter,
11 as defined in RCW 82.45.060. If the growth is equal to or less than
12 zero percent, the existing fee continues to apply.

13 (ii) The department must publish an updated fee by September 1,
14 2029, and September 1st of every fourth year thereafter. The updated
15 fee will apply beginning January 1, 2030, and January 1st every
16 fourth year thereafter. Adjusted fees must be rounded to the nearest
17 10 cents.

18 (iii) The most recent fee becomes the base for subsequent
19 adjustments.

20 (c) Upon receipt of the fee in (a) of this subsection, the county
21 treasurer shall deposit:

22 (i) 65 percent of the fee into the county's county assessor
23 administrative assistance fund established under section 3 of this
24 act; and

25 (ii) 35 percent of the fee into the county's county treasurer
26 administrative assistance fund established under section 3 of this
27 act.

28 NEW SECTION. Sec. 3. A new section is added to chapter 36.33
29 RCW to read as follows:

30 (1) Each county shall establish a county assessor administrative
31 assistance fund, held by the county treasurer. The fund must be used
32 only for the statutory obligations of the county assessor's office.
33 Only the county assessor may authorize expenditures from the fund,
34 and an appropriation is not required for expenditures.

35 (2) Each county shall establish a county treasurer administrative
36 assistance fund, held by the county treasurer. The fund must be used
37 only for the statutory obligations of the county treasurer's office.
38 Only the county treasurer may authorize expenditures from the fund,
39 and an appropriation is not required for expenditures.

1 NEW SECTION. **Sec. 4.** A new section is added to chapter 36.40
2 RCW to read as follows:

3 The county assessor administrative assistance fund and county
4 treasurer administrative assistance fund, established under section 3
5 of this act, are not subject to appropriation or budgets by the
6 county legislative authority.

7 NEW SECTION. **Sec. 5.** This act takes effect September 1, 2025.

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